# GOVERNMENT OF INDIA
# CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
# LOK SABHA

UNSTARRED QUESTION NO:5998
ANSWERED ON:11.04.2017
Hike in Prices of Vegetables and Foodgrains
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**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:**

(a) whether the prices of vegetables and foodgrains are likely to be increased in future due to rise in agricultural and transport cost;
(b) if so, the response of the Government in this regard; and
(c) the strategy adopted by the Government to control price rise in the said situation along with the outcome thereof?

## Answer

THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)

(a) : Prices of essential commodities including vegetables and foodgrains are inter-alia affected by mismatch in demand and supply, shortfall in production owing to adverse weather conditions, increased transportation costs, supply chain constraints like lack of storage facilities, artificial shortage created by hoarding and black marketing etc.

(b) & (c) : Government has taken various measures from time to time to stabilize prices of essential food items which inter-alia, include appropriately utilizing trade and fiscal policy instruments like import and export duty, Minimum Export Price, export restrictions etc. To regulate domestic availability and moderate prices; imposition of stock limits, and provision of higher Minimum Support Prices to incentivize farmers for increasing production. Besides, Government is also implementing Price Stabilisation Fund (PSF) scheme to help moderate the volatility in prices of agri-horticultural commodities. These policy interventions along with better agricultural production have helped in moderation of prices of essential commodities like pulses, onions, potatoes, tomato etc over last 6 months.
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